UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

For: State and County Offices

Changes in Processing Type 60 Purchase Orders

Approved by: Deputy Administrator, Farm Loan Programs

[signature: Carolyn B. Cooksie]

1 Overview

A
Purpose

This notice informs State Offices about:

- the mandatory use of the taxpayer identification number (TIN) on all new AD-838's

- the mandatory use of a "T8" fund code on all FSA Type 60 purchase orders

- changes in system rejections of FmHA 838-B modifications through NFC PC-PRCH software and subsequent Proof of Transmission Report

- future processes being incorporated into the NFC PC-PRCH software and NFC Type 60 purchase order system.

B
Contact

Direct inquiries about this notice to LMD. LMD contact is Greg Thebeau on 314-539-6944.

Disposal Date	Distribution
October 1, 1998	State Offices; State Offices relay to County Offices

2 Action

A
TIN Numbers

The Debt Collection Improvement Act of 1996 (DCIA) requires agencies to collect TIN's for all payments made to persons or vendors. Effective January 1, 1998, NFC will comply with DCIA by requiring a valid TIN on all new AD-838's.

State and County Offices are encouraged to immediately start using TIN on all new AD-838's instead of waiting until January 1, 1998. PC-PRCH, Version 1.11, requires the "TAXPAYER'S INDENT NO." field to be completed.

Note: Until January 1, 1998, either PC-PRCH, Version 1.10 or Version 1.11 may be used. After that date, only Version 1.11 shall be used.

Refer to the following publications for complete information:

• NFC Bulletin, 97-2, Complying with the Debt Collection Improvement Act

• NFC Bulletin 97-3, Mandatory use of Taxpayer Identification Number (TIN) Postponed to January 1, 1998.

B
Fund Code

PC-PRCH version 1.11 requires that all FSA Type 60 purchase orders use "T8" in the "Fund Code" field.

Effective January 1, 1998, it will be mandatory for all new hardcopy AD-838's to use "T8" in the "Fund Code" field (block 7) if the first digit of the program authority code is an "E" or "F".

C
FmHA 838-B
Modifications
System
Rejections and
Proof of
Transmission
Report

Changes have been made to the NFC Type 60 purchase order system and the related Proof of Transmission Report received when transmitting purchase orders or FmHA 838-B modifications from PC-PRCH.

Effective immediately, when transmitting PC-PRCH files for FmHA 838-B modifications, the NFC system will validate the following items:

• borrower case number or property identification
• borrower loan number
• correct ACT code (from purchase order) for loan number
• line number must exist on purchase order.

2 Action (Continued)

C
FmHA 838-B
Modifications
System
Rejections and
Proof of
Transmission
Report
(Continued)

The system will validate these items, and if any are incorrect, the PC-PRCH Proof of Transmission Report will list all rejected FmHA 838-B modifications. It will also list all accepted documents.

The submitting office shall then take corrective action and resubmit the rejected documents with correct information.

NFC will no longer contact State and County Offices for system rejections of FmHA 838-B modifications.

D
Future
Processing of
Invoices

NFC is developing a process to allow FSA to electronically request and transmit originals of FmHA 838-B, with related invoice information. This process will require additional software to be installed that will allow a digital signature to be applied to the PC-PRCH file.

PC-PRCH version 1.11 incorporates the capability to build an electronic file for transmission of originals of FmHA 838-B. This feature will **not** be available to FSA until a later date.

Do not attempt to use this menu item until your office has been trained, issued procedures, or both. Any attempts to use this feature by transmitting a file to NFC will reject for discrepancy and be deleted. NFC will report to FSA any office attempting to transmit originals of FmHA 838-B and related invoice information.